

Sixty-second
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1003

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota
2 university system; to provide an exemption; to provide for transfer of funds; to authorize the
3 state board of higher education to issue and sell bonds for capital projects; and to declare an
4 emergency.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
7 as may be necessary, are appropriated out of any moneys in the general fund in the state
8 treasury, not otherwise appropriated, and from special funds derived from federal funds and
9 other income, to the North Dakota university system and to the various entities and institutions
10 under the supervision of the state board of higher education for the purpose of defraying the
11 expenses of the North Dakota university system office and to the various entities, for the
12 biennium beginning July 1, 2011, and ending June 30, 2013, as follows:

13 Subdivision 1.

14 NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
15				
16				
17	Capital assets	\$12,014,048	\$240,721	\$12,254,769
18	Competitive research program	7,050,000	0	7,050,000
19	System governance	7,185,612	191,660	7,377,272
20	Title II	695,600	0	695,600
21	System information technology	30,230,038	5,776,629	36,006,667
22	services			
23	Professional liability insurance	1,100,000	(300,000)	800,000
24	Student financial assistance grants	19,374,022	0	19,374,022

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1	Professional student exchange program	3,337,100	(15,662)	3,321,438
2	Academic and technical education	3,000,000	(3,000,000)	0
3	scholarships			
4	Two-year campus marketing	800,000	0	800,000
5	Scholars program	2,113,584	0	2,113,584
6	Native American scholarships	381,292	192,975	574,267
7	Tribally controlled community college	700,000	(700,000)	0
8	grants			
9	Security and emergency preparedness	750,000	(750,000)	0
10	Education incentive programs	3,176,344	0	3,176,344
11	Science, technology, engineering, and	1,500,000	(1,500,000)	0
12	mathematics teacher education			
13	enhancement			
14	Grants	100,000	(100,000)	0
15	Student mental health	0	168,000	168,000
16	Academic and technical program	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>
17	revolving fund			
18	Total all funds	\$93,507,640	\$1,204,323	\$94,711,963
19	Less estimated income	<u>4,748,958</u>	<u>(1,994,240)</u>	<u>2,754,718</u>
20	Total general fund	\$88,758,682	\$3,198,563	\$91,957,245
21	Full-time equivalent positions	23.30	0.00	23.30

Subdivision 2.

BISMARCK STATE COLLEGE

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>		<u>Appropriation</u>
26	Operations	\$24,204,005	\$2,256,082	\$26,460,087
27	Capital assets	<u>243,481</u>	<u>9,399,192</u>	<u>9,642,673</u>
28	Total all funds	\$24,447,486	\$11,655,274	\$36,102,760
29	Less estimated income	<u>0</u>	<u>7,500,000</u>	<u>7,500,000</u>
30	Total general fund	\$24,447,486	\$4,155,274	\$28,602,760
31	Full-time equivalent positions	111.51	0.00	111.51

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1 Subdivision 3.

2 LAKE REGION STATE COLLEGE

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
4			
5	Operations	\$783,603	\$8,739,813
6	Capital assets	<u>111,705</u>	<u>155,367</u>
7	Total all funds	\$895,308	\$8,895,180
8	Less estimated income	<u>0</u>	<u>0</u>
9	Total general fund	\$895,308	\$8,895,180
10	Full-time equivalent positions	0.00	37.50

11 Subdivision 4.

12 WILLISTON STATE COLLEGE

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
13			
14			
15	Operations	\$824,468	\$8,521,467
16	Capital assets	<u>5,156,326</u>	<u>5,242,801</u>
17	Total all funds	\$5,980,794	\$13,764,268
18	Less estimated income	<u>4,820,000</u>	<u>4,820,000</u>
19	Total general fund	\$1,160,794	\$8,944,268
20	Full-time equivalent positions	0.00	43.42

21 Subdivision 5.

22 UNIVERSITY OF NORTH DAKOTA

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
23			
24			
25	Operations	\$11,557,009	\$136,593,792
26	Capital assets	<u>38,208,167</u>	<u>40,508,712</u>
27	Total all funds	\$49,765,176	\$177,102,504
28	Less estimated income	<u>21,700,000</u>	<u>21,700,000</u>
29	Total general fund	\$28,065,176	\$155,402,504
30	Full-time equivalent positions	0.00	651.91

31 Subdivision 6.

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NORTH DAKOTA STATE UNIVERSITY

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$108,367,622	\$9,959,467	\$118,327,089
Capital assets	<u>1,692,225</u>	<u>37,412,702</u>	<u>39,104,927</u>
Total all funds	\$110,059,847	\$47,372,169	\$157,432,016
Less estimated income	<u>0</u>	<u>36,100,000</u>	<u>36,100,000</u>
Total general fund	\$110,059,847	\$11,272,169	\$121,332,016
Full-time equivalent positions	584.88	0.00	584.88
Subdivision 7.			

NORTH DAKOTA STATE COLLEGE OF SCIENCE

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$31,607,155	\$2,006,991	\$33,614,146
Capital assets	<u>753,332</u>	<u>29,498,520</u>	<u>30,251,852</u>
Total all funds	\$32,360,487	\$31,505,511	\$63,865,998
Less estimated income	<u>0</u>	<u>10,500,000</u>	<u>10,500,000</u>
Total general fund	\$32,360,487	\$21,005,511	\$53,365,998
Full-time equivalent positions	164.87	0.00	164.87
Subdivision 8.			

DICKINSON STATE UNIVERSITY

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$20,123,737	\$1,653,209	\$21,776,946
Capital assets	<u>383,690</u>	<u>25,388</u>	<u>409,078</u>
Total all funds	\$20,507,427	\$1,678,597	\$22,186,024
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
Total general fund	\$20,507,427	\$1,678,597	\$22,186,024
Full-time equivalent positions	92.96	0.00	92.96
Subdivision 9.			

MAYVILLE STATE UNIVERSITY

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		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
1			
2			
3	Operations	\$845,777	\$12,475,393
4	Capital assets	<u>234,514</u>	<u>443,505</u>
5	Total all funds	\$1,080,291	\$12,918,898
6	Less estimated income	<u>0</u>	<u>0</u>
7	Total general fund	\$1,080,291	\$12,918,898
8	Full-time equivalent positions	0.00	58.72
9	Subdivision 10.		

MINOT STATE UNIVERSITY

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
11			
12			
13	Operations	\$2,417,646	\$37,041,353
14	Capital assets	<u>5,352,750</u>	<u>5,949,620</u>
15	Total all funds	\$7,770,396	\$42,990,973
16	Less estimated income	<u>5,050,000</u>	<u>5,050,000</u>
17	Total general fund	\$2,720,396	\$37,940,973
18	Full-time equivalent positions	0.00	187.83
19	Subdivision 11.		

VALLEY CITY STATE UNIVERSITY

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
21			
22			
23	Operations	\$848,027	\$17,216,028
24	Capital assets	<u>1,013,319</u>	<u>1,271,735</u>
25	Total all funds	\$1,861,346	\$18,487,763
26	Less estimated income	<u>815,000</u>	<u>815,000</u>
27	Total general fund	\$1,046,346	\$17,672,763
28	Full-time equivalent positions	0.00	90.37
29	Subdivision 12.		

DAKOTA COLLEGE AT BOTTINEAU

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		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
1			
2			
3	Operations	\$498,633	\$6,361,005
4	Capital assets	<u>5,782</u>	<u>115,507</u>
5	Total all funds	\$504,415	\$6,476,512
6	Less estimated income	<u>0</u>	<u>0</u>
7	Total general fund	\$504,415	\$6,476,512
8	Full-time equivalent positions	0.00	34.81
9	Subdivision 13.		

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES			
		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
11			
12			
13	Operations	\$4,600,229	\$45,490,630
14	Total all funds	\$4,600,229	\$45,490,630
15	Less estimated income	<u>0</u>	<u>0</u>
16	Total general fund	\$4,600,229	\$45,490,630
17	Full-time equivalent positions	0.00	137.43
18	Subdivision 14.		

NORTH DAKOTA FOREST SERVICE			
		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
20			
21			
22	Operations	\$641,127	\$5,112,167
23	Capital assets	<u>61,153</u>	<u>97,791</u>
24	Total all funds	\$702,280	\$5,209,958
25	Less estimated income	<u>0</u>	<u>997,486</u>
26	Total general fund	\$702,280	\$4,212,472
27	Full-time equivalent positions	0.00	26.00

28	Subdivision 15.		
29	BILL TOTAL		

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		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
1				
2				
3	Grand total all funds	\$539,059,338	\$166,576,109	\$705,635,447
4	Grand total special funds	<u>5,746,444</u>	<u>84,490,760</u>	<u>90,237,204</u>
5	Grand total general fund	\$533,312,894	\$82,085,349	\$615,398,243

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SIXTY-THIRD LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-first legislative assembly for the 2009-11 biennium and the 2011-13 one-time funding items included in the appropriation in section 1 of this Act:

	<u>One-Time Funding Description</u>	<u>2009-11</u>	<u>2011-13</u>
10			
11	Federal fiscal stimulus	\$19,309,920	\$0
12	Dickinson state university operating funds	350,000	0
13	Dickinson state university Theodore Roosevelt center	750,000	0
14	Electronic medical records system UND medical	225,000	0
15	school		
16	Deferred maintenance - General fund	20,000,000	0
17	Capital projects - General fund	39,008,248	34,705,000
18	Capital projects - Other funds	166,958,000	84,165,000
19	Capital projects - Permanent oil tax trust fund	10,400,000	2,320,000
20	Special assessments payments	0	787,231
21	Mental health services	0	156,000
22	Emerald ash borer program	<u>0</u>	<u>250,000</u>
23	Total all funds	\$257,001,168	\$122,383,231
24	Total other funds	<u>197,017,920</u>	<u>86,485,000</u>
25	Total general fund	\$59,983,248	\$35,898,231

The 2011-13 one-time funding amounts are not a part of the entity's base budget for the 2013-15 biennium. The North Dakota university system shall report to the appropriations committees of the sixty-third legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2013, and ending June 30, 2015.

SECTION 3. EXEMPTION - TRANSFER. Up to \$4,335,000 of the amount appropriated for the great plains applied energy research center in section 1 of chapter 26 of the 2009 Session

1 Laws is not subject to section 54-44.1-11. The department of commerce shall transfer
2 \$4,335,000 of unexpended funds from this line item to Bismarck state college for the purpose of
3 completing the national energy center of excellence fourth floor renovation project, for the
4 biennium beginning July 1, 2011, and ending June 30, 2013.

5 **SECTION 4. PERMANENT OIL TAX TRUST FUND - WILLISTON STATE COLLEGE.** The
6 estimated income line item in subdivision 4 of section 1 of this Act includes \$2,320,000 from the
7 permanent oil tax trust fund for the renovation of the science lab building and a campus
8 branding project at Williston state college, for the period beginning with the effective date of this
9 Act and ending June 30, 2013.

10 **SECTION 5. CAPITAL ASSETS.** The sum of \$12,254,769, or so much of the sum as may
11 be necessary, included in the capital assets line item in subdivision 1 of section 1 of this Act,
12 must be used by the state board of higher education to satisfy outstanding bond obligations.

13 **SECTION 6. SYSTEM INFORMATION TECHNOLOGY SERVICES.** The sum of
14 \$36,006,667, or so much of the sum as may be necessary, included in the system information
15 technology services line item in subdivision 1 of section 1 of this Act, must be used for the
16 benefit of the institutions and entities under the control of the state board of higher education, as
17 determined by the board. Funding allocations are to be made based on the North Dakota
18 university system information technology plan and technology priorities. Funds allocated
19 pursuant to this section must be used to support the system information technology services,
20 including the higher education computer network, the interactive video network, the on-line
21 Dakota information network, connectND, and other related technology initiatives as determined
22 by the board.

23 **SECTION 7. STUDENT LOAN TRUST FUND.** Subdivision 1 of section 1 of this Act
24 includes the sum of \$1,004,744, or so much of the sum as may be necessary, from the student
25 loan trust fund of which \$465,307 is for the professional student exchange program and
26 \$539,437 connectND campus solution positions, for the biennium beginning July 1, 2011, and
27 ending June 30, 2013.

28 **SECTION 8. FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION.** All funds, in
29 addition to those appropriated in section 1 of this Act, from federal, private, and other sources
30 for competitive grants or other funds that the legislative assembly has not indicated the intent to
31 reject, received by the institutions and entities under the control of the state board of higher

1 education are appropriated to those institutions and entities, for the biennium beginning July 1,
2 2011, and ending June 30, 2013. All additional funds received under the North
3 Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2011, and
4 ending June 30, 2013, are appropriated to the state board of higher education for
5 reimbursement to institutions under the control of the board.

6 **SECTION 9. TRANSFER AUTHORITY.** If, during the biennium beginning July 1, 2011, and
7 ending June 30, 2013, the state board of higher education determines that funds allocated to
8 operations in section 1 of this Act are needed for capital assets or extraordinary repairs, the
9 board may transfer funds from operations to capital assets. The board shall report any transfer
10 of funds under this section to the office of management and budget.

11 **SECTION 10. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** Notwithstanding
12 any other provisions of law, the state board of higher education may adjust full-time equivalent
13 positions as needed, subject to the availability of funds, for institutions and entities under its
14 control. The university system shall report any adjustments to the office of management and
15 budget before the submission of the 2013-15 biennium budget request.

16 **SECTION 11. EDUCATION INCENTIVE PROGRAMS.** The funding appropriated for
17 education incentive programs in subdivision 1 of section 1 of this Act may be allocated to
18 education incentive programs as determined by the state board of higher education, including
19 the reduction or elimination of specific programs, and the state board of higher education may
20 determine the appropriate number of years of program eligibility for each education incentive
21 program.

22 **SECTION 12. BOND ISSUANCE AUTHORIZATION - PURPOSES - APPROPRIATION.**
23 The state board of higher education, in accordance with chapter 15-55, may arrange for the
24 funding of projects authorized in this section, declared to be in the public interest, through the
25 issuance of self-liquidating, tax-exempt evidences of indebtedness under chapter 15-55,
26 beginning with the effective date of this Act and ending June 30, 2013. Evidences of
27 indebtedness issued pursuant to this section are not a general obligation of the state of North
28 Dakota. Any unexpended balance resulting from the proceeds of the evidences of indebtedness
29 must be placed in a sinking fund to be used for the retirement of indebtedness. The evidences
30 of indebtedness may be issued and the proceeds are appropriated, for the biennium beginning

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1 July 1, 2011, and ending June 30, 2013, for the purpose of financing the following capital
2 projects:

3	Bismarck state college student union renovation and addition	\$7,000,000
4	Williston state college workforce training center	2,000,000
5	University of North Dakota - Wilkerson hall renovation and addition	14,000,000
6	University of North Dakota - University town home apartments	5,000,000
7	North Dakota state college of science - Forkner hall renovation	5,000,000
8	North Dakota state college of science - Schulz hall renovation	4,000,000
9	Minot state university - Resident apartments	<u>3,500,000</u>
10	Total special funds	\$40,500,000

11 **SECTION 13. EMERGENCY.** The capital assets and education incentive line items
12 contained in section 1 of this Act and sections 3, 4, and 12 of this Act are declared to be an
13 emergency measure.